

The Hon. Ricardo S. Martinez

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff,
v.
JUSTIN COSTELLO,
Defendant.

| NO. CR22-160-RSM

**DECLARATION OF FEDERAL
BUREAU OF INVESTIGATION
SPECIAL AGENT KATHLEEN
MORAN IN SUPPORT OF
MOTION FOR PRELIMINARY
ORDER OF FORFEITURE**

I, Kathleen Moran, depose and state as follows:

1. I am an “investigative or law enforcement officer of the United States” within the meaning of Title 18, United States Code, Section 2510(7), that is, an officer of the United States who is empowered by law to conduct investigations of, and to make arrests for, offenses enumerated in Title 18, United States Code, Section 2516.

2. I am a Special Agent with the United States Federal Bureau of Investigation (“FBI”).

3. The information contained in this declaration is based upon knowledge I have gained from my involvement in the investigation, my personal observations, my training and experience, and investigative information obtained by other inspectors,

1 agents, and officers. Because this declaration is submitted for the limited purpose of
 2 supporting a Motion for Preliminary Order of Forfeiture and Order of Forfeiture, I do not
 3 set forth every fact that I or others have learned during the course of this investigation.

4 4. I submit this Declaration in support of the United States' Motion for
 5 Preliminary Order of Forfeiture and Order of Forfeiture, as provided for under 18 U.S.C.
 6 § 983, regarding the following assets ("Subject Property"):

7 a. \$60,000.05 in United States currency;
 8 b. 63,311.95 Mexican pesos (converted to United States dollars);
 9 c. five PAMP 1 oz .999 gold bars;
 10 d. one Sunshine Mint 1 oz .999 gold bar;
 11 e. one Chopard "Mille Miglia" limited edition 14/250 18k yellow gold
 12 wristwatch with black dial and original black leather band, Model # 1254, Serial number
 13 939050;

14 f. one Chopard "Monaco Historique" stainless steel wristwatch with
 15 white dial and black leather band, Model # 8568, Serial # 1929287;

16 g. one 14k yellow gold Cuban link chain with 14k yellow gold gun
 17 pendant set with genuine 2.4mm round rubies, emeralds, and diamonds (9 of each) in grip
 18 of gun; and

19 h. one 18k yellow gold grenade charm set with 31 0.01 carat full-cut
 20 round diamonds.

21 5. FBI seized the Subject Property in the course of its investigation and arrest
 22 of Defendant Justin Costello, who was charged in the United States District Court for the
 23 Western District of Washington in a 25-count indictment which included, among other
 24 offenses, one count of Securities Fraud (Count 20), in violation of 15 U.S.C. § 78j(b),
 25 78ff, and 17 CFR 240.10b-5.

26 6. Before obtaining the Indictment, the United States Attorney's Office for the
 27 Western District of Washington had an agreement with Defendant's defense attorney to

1 allow Defendant to self-surrender after the Grand Jury returned an indictment. Defendant
2 did not self-surrender.

3 7. On October 4, 2022, FBI tracked Defendant's location to El Cajon,
4 California, where FBI agents arrested him.

5 8. On October 6, 2022, a witness contacted law enforcement and reported that
6 the witness had discovered a black backpack near where FBI had arrested Defendant two
7 days earlier. The witness informed law enforcement that the witness looked inside the
8 backpack and saw identification documents, gold bars, and a wristwatch. FBI agents
9 retrieved the backpack from the witness that day.

10 9. FBI obtained a warrant to search the backpack on October 14, 2022. During
11 execution of the search warrant, FBI located and seized the Subject Property, among
12 other property.

13 10. After seizing the Subject Property, FBI timely initiated administrative
14 forfeiture proceedings against it, pursuant to 18 U.S.C. § 983. During FBI's
15 administrative forfeiture procedure, notification was sent to potential third parties, and on
16 January 3, 2023, a third-party claimant ("D.L.&S") filed a claim to the above-identified
17 14k yellow gold Cuban link chain with a 14k yellow gold gun pendant. FBI referred the
18 claim to the United States Attorney's Office for judicial forfeiture.

19 I declare under penalty of perjury that the foregoing is true and correct.

21 DATED this 3rd day of April, 2023, at Seattle, Washington.

Kathleen Moran
KATHLEEN MORAN
Special Agent
Federal Bureau of Investigation